Donation to Karnataka Chief Minister's Medical Relief Society

*512. SHRI K.C. KONDAIAH : Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that the Karnataka Government has consitituted a Corpus Fund of Rs. 100 crores under the name of the Chief Minister's Medical Relief Society;

(b) whether Government has given exemption as per Section 80G of the Income Tax Act for the donations to the Karnataka Chief Minister's Medical Relief Society;

(c) whether the above Society has sought exemption under Section 35 AC so as to mobilise more funds for being utilised to provide free treatment to poor patients; and

(d) if so, the action, if any, taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) to (c) Yes, Sir.

(d) National Committee for promotion of Social and Economic Welfare which is the authorised body for approving projects for 100 per cent deductions u/s 35AC of the Income-tax Act, 1961, has rejected the application of the Society, in view of its policy that relief programmes carried out by the State Governments should be funded out of their own resources and not by raising donations from private parties. Society has now made a fresh application.

Misuse of Funds by Voluntary Organisations

†*513. SHRIMATI SAVITA SHARDA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that several voluntary organisations under different Ministries are receiving grants for different purposes;

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† Original notice of the question was received in Hindi.

(b) if so, whether it is also a fact that they are misusing Government funds to a great deal;

(c) if so, whether Government propose to take any steps to prevent the same; and

(d) if so, by when and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL) : (a) Yes Sir,

(b) to (d) Grants are released by the respective Departments/Ministries to the voluntary organizations, operating in their sphere, who are required to ensure that the grant is properly utilised for the purpose for which it is sanctioned. Action for misutilisation of grants is taken by the concerned Ministries/Departments who have reported that in such cases concerned voluntary organizations are blacklisted and action for recovery of the grant has been initiated by the concerned Department/Ministry. Ministry of Finance has also advised the administrative Departments/Ministries to ensure that fresh grants are not released, unless utilization certificates in respect of previous grants have been obtained.

Import of Crude Oil for Panipat Refinery

*514. SHRI PARMESHWAR KUMAR AGARWALLA : Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state :

(a) whether the Indian Oil Corporation had imported 283,967 tonnes of crude oil for the Panipat refinery more than its requirement which resulted in a loss of Rs.97.84 crores and interest of Rs.3.57 crores on blocked funds;

(b) if so, the details thereof and the reasons therefor;

(c) whether Government have taken steps to fix the responsibility for the unnecessary loss to the exchequer; and

(d) if so, the details thereof and if not, the reasons therefor ?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI RAM NAIK) : (a) to (d) 2,83,967 tonnes of crude oil was imported for Panipat Refinery in December, 1997 at the prevalent price of that time and as per standard procedure for crude procurement, anticipating that Panipat refinery would be commissioned in February, 1998. Due to unforeseen problems like metallurgical mismatch,